

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 226227

17

ORIGIN EB-07

INFO OCT-01 ARA-06 IO-13 ISO-00 STR-04 COME-00 TRSE-00

ITC-01 AGR-05 CEA-01 CIAE-00 DODE-00 FRB-03 H-02

INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

CIEP-01 SS-15 USIA-06 PRS-01 SP-02 OMB-01 FEA-01 /100 R

DRAFTED BY EB/OT/GCP:RLANDERS:JSLATTERY:JM

APPROVED BY EB/OT/GCP:SAHMAD

ARA/ECP:ABERRY

STR:BSTEINBOCK

COMMERCE:RADES

TREASURY:EFROST

----- 097525

R 132211Z SEP 76

FM SECSTATE WASHDC

TO AMEMBASSY PANAMA

INFO USDEL MTN GENEVA

AMEMBASSY KINGSTON

AMEMBASSY PORT OF SPAIN

AMEMBASSY GUATEMALA

LIMITED OFFICIAL USE STATE 226227

E.O. 11652: N/A

TAGS: ETRD, MTN, PN

SUBJECT: TARIFFS ON CARIBBEAN RUM

REF: PANAMA 6033 (NOTAL)

1. REQUESTS HAVE BEEN MADE IN THE TROPICAL PRODUCTS GROUP  
OF THE MULTILATERAL TRADE NEGOTIATIONS FOR REDUCTIONS IN  
US DUTIES ON RUM BY JAMAICA, TRINIDAD, AND THE CENTRAL  
AMERICAN COMMON MARKET. JAMAICA AND TRINIDAD REQUESTED  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 226227

60 PERCENT BOUND REDUCTIONS ON MFN BASIS IN THE CURRENT

RATES, AND THE CACM REQUESTED THAT RUM BE DESIGNATED AS ELIGIBLE FOR GSP AT ZERO DUTY. THE CACM REQUEST IS FOR PREFERENTIAL TREATMENT VIS-A-VIS MFN SUPPLIERS, I.E. DEVELOPED COUNTRIES. IF CACM REQUEST WERE HONORED, MAJOR LDC SUPPLIERS SUCH AS JAMAICA WOULD BE INELIGIBLE FOR GSP TREATMENT ON RUM, BECAUSE THEIR EXPORTS TO THE US EXCEED COMPETITIVE NEED LIMITS.

2. RUM WAS FOUND TO BE INELIGIBLE FOR GSP IN 1975 WHEN THE LIST OF ELIGIBLE ARTICLES WAS ORIGINALLY ESTABLISHED, AND IT IS UNLIKELY THAT THE US WILL GRANT GSP ON RUM AT THIS TIME. FURTHERMORE, THE USG REGARDS THE GSP AS A UNILATERAL GRANT AND THEREFORE DOES NOT CONSIDER REQUESTS FOR GSP

TREATMENT OF PRODUCTS TO BE APPROPRIATE SUBJECT FOR NEGOTIATION IN THE MTN.

3. THE US HAS NOT INCLUDED RUM ON ITS OFFER IN THE TROPICAL PRODUCTS GROUP. (THAT OFFER CONSISTED ENTIRELY OF TARIFF CUTS ON MFN BASIS. FOR FURTHER BACKGROUND, SEE STATE 141388 OF JUNE 9.) THE US IS PREPARED TO ENGAGE IN NEGOTIATIONS ON THE CONTENT OF THIS OFFER. HOWEVER, DOMESTIC CONSIDERATIONS (I.E. THE STATUS OF THE PUERTO RICAN RUM INDUSTRY AND THE IMPORTANCE TO THE PR BUDGET OF REBATES OF US EXCISE TAXES ON PR RUM SALES) WOULD MAKE IT DIFFICULT TO INCLUDE RUM IN OUR OFFER. THE CURRENT UNWILLINGNESS OF LDC'S TO MAKE ANY CONTRIBUTIONS IN RESPONSE TO US OFFER ADDS TO DIFFICULTY OF IMPROVING US OFFER.

4. IF THE GOP IS INTERESTED IN RECEIVING A CONCESSION ON RUM, THEY SHOULD MAKE THIS INTEREST KNOWN IN GENEVA. ROBINSON

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TARIFF LIBERALIZATION, NEGOTIATIONS, ALCOHOLIC BEVERAGES, RUM  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 SEP 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** saccheem  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE226227  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** RLANDERS:JSLATTERY:JM  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760345-1268  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760965/aaaacdwa.tel  
**Line Count:** 93  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 PANAMA 6033  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** saccheem  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 MAY 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <12 MAY 2004 by greeneet>; APPROVED <09 SEP 2004 by saccheem>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TARIFFS ON CARIBBEAN RUM  
**TAGS:** ETRD, US, PN  
**To:** PANAMA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006